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CNIA.4.036-entile, 2 ROOETS-ROONE Your 105th News P-Osth, Nancy Clash Looms e.1.A. 3.03, 3

Rimestad Appointment Said To Head Off Reforms

William P. Rogers, the new Secretary of State, has generated a "looming storm of controversy" centered on Capitol Hill, a top Senate staff Officer informed this newspaper, because of his recent personnel decisions regarding key State Department positions. "Ironically, he has managed to alarm both the conservative and the liberal General, became involved in the Otepka case with Secretary Rusk", blocs", the source added. According to the source, several the source stated.

influential Republican Senators and Congressmen have written personal succeeded Mr. Rogers as Attorney letters directly to President Richard General", the source commented. Nixon expressing great disappointment over these personnel actions. Their grestest objection was that Congressman John Rarick, an to the retention of Idar Rimestad, the controversial Deputy Under has already launched a major attack Secretary of State for Administration on two of President Nixon's top

Mr. Rimestad's position is central, the source claimed, because his office controls not only the admitted public funds of the State Department but also the clandestine and confidential funds as well as the personnel interchange arrangements between the Central Intelligence Agency, the Foreign Service and the Department of Defense. In addition, all security files and all promotion, assignment and "selection out" actions come under his jurisdiction, the source

revealed. Security Probes

the source revealed.

Mr. Rimestad's retention and his role in the Otto F. Otepka case have aggravated the "unquiet" especially among those Republican Senators and Congressman, the source said, ways to "re-instate Mr. Otepka but to at the same time"

Any such development is bound to lead to a re-opening, under Democratic auspices of the entire Otto F. Otepka case, these Republican leaders fear. conservative Democrats who would be pleased to "hang the Otepka case! albatross on the neck of Mr. Rogers Washington, is managed by Nancy as well as Robert F. Kennedy, the

Congressman Rarick

As evidence, the source observed acknowledge conservative Democrat, whose wife's contribution of \$500.00 foreign affairs appointees. On to the political campaign of January 13, Mr. Rarick inserted a Democratic Congressman John long article in the Congressional Rooney has been widely reported, Record on the "leftist" views of Charles Woodruff Yost, Mr. Nixon's nominee for Ambassador to the United Nations. It is a "common secret", the source added, that Mr. Yost was really Secretary Rogers'

The next day, January 14, Congressman Rarick inserted six items into the Congressional Record dealing with Henry A. Kissinger, President Nixon's Special Assistant for National Security. The Items covered three full pages of the Record. Included were articles from the OSTH Information Service, the New York Times and a commentary, May 1968, written by Walter Trohan, Chief of the Washington Bureau of The Chicago Tribune.

OSTH Service

The source asserted that the who have received indications that article appearing in the OSTH Mr. Rogers has been reflecting on Information Service issues of January 19 and January 26 was prepared by a sweep the Otepka case under the rug team of top research personnel with access to confidential files and with direct ties to powerful political figures in the Republican Party. "For this reason, this article should be regarded as an omen of future There are many events", the source commented.

The OSTH Information Service, relatively unknown hitherto in

Osth, a radio commentator who lives in Berryville, Virginia, the source revealed.

The Republican legislators are also alarmed by indications that "another deeply interested observer of Mr. Rogers and the State Department is Senator Eugene McCarthy", the source revealed. Another "open secret" on Capitol Hill is Senator McCarthy's determination to launch a full scale probe of the interlocking connections of the Central Intelligence Agency, the Foreign Service and the huge lobby-law and banking firms in Boston, New York, Philadelphia and Washington, the source stated.

New Investigations

Asked how these considerations affected the Otto F. Otepka and Stephen A. Koczak cases, the source revealed that discussions are now in progress to "get these cases out of the news". However, events on Capitol Hill may result in even greater scandals emerging out of these cases, unless they are resolved in the first few weeks of the Nixon administration, he said.

With Senator McCarthy now on the Senate Government Operations powers, and with the Otto F. Otepka: the source estimated. Central to these frequent and close associations.

Schunider and Donovan

In its January 8 issue, this newspaper revealed that Clarence Jerome Schneider, a key witness in possession of information about the identities of persons who carried out an illegal wiretap of Mr. Otepka's telephone, has "vanished" from the Washington area. All efforts to obtain information about Mr. Schneider, who is carried as a "retired foreign service employee" by the State Department were unsuccessful up to this date.

Similarly, the State Department has refused to provide this newspaper with the current telephone number and office location of Thomas A. Donovan, a central figure in the Stephen A. Koczak case, who "retired" in the first weeks of January, 1969. When asked for Mr. Donovan's number, the State Department employees replied that they would take the name of the caller and would notify Mr. Donovan who, if he wished, would call back.

Precipitated Crisis

An event which might "precipitate" events which now are merely "looming", the source stated, is the likely announcement of an Committee, which has subpoena appointment to the National Security Council. The person involved, who is case, still unresolved, originating with backed principally case, still unresolved, originating with backed principally stronger, is known backed principally because of Subcommittee, which also has to have been in very serious trouble subpoena powers, "it is highly likely in the latter half of the Eisenhower that that a re-emergence of intense administration because of alleged investigations of the State "leaks of top secret and secret" Department and the Central classified information to members of Intelligence Agency will take place", a foreign embassy with whom he had

investigations, at least at the outset, will be data still being assembled arising out of the Otto F. Otepka and at the time, was the subject of an Stephen A. Koczak cases. These data intense FBI inquiry which concluded touch not only on State Department that evidence suggested that the classified information had been According to the informant, this security but also the roles of the classified information had been Central Intelligence Agency and of its passed. For this reason, the FBI, the agents in developing these cases, the Department of Justice and the informant claimed. In this Department of State held discussions connection, he added, the that about prosecution but the proposal Marvin Gentile, the present was abandoned allegedly because the Assistant Secretary of Secretary with the "de-classify", that is, make available Central intelligence Agency is to to the prosecutor, the "contents of great importance." The State Department alleged that, despite the evidence the FBI had, it was not in the interest of the US garantement to have the telephona Dominat public knowledge because they excluded discussions with the head of a furnish

as well as Robert P. Kennedy, the deceased Senator who Asproares For Release 2005/01/12: CIA-RDP88-01315R000400160020-2a matters which, if severaled, would would tembers of the Robert P. Kennedy, the severaled, would would tembers of the Robert P. Kennedy, the severaled, would tembers of the Robert P. Kennedy, the severaled, would tembers of the Robert P. Kennedy, the severaled, would tembers of the Robert P. Kennedy, the severaled, would tembers of the Robert P. Kennedy, the severaled, would tembers of the Robert P. Kennedy, the severaled, would tembers of the Robert P. Kennedy, the severaled, would tembers of the Robert P. Kennedy, the severaled, would tembers of the Robert P. Kennedy, the severaled, would tembers of the Robert P. Kennedy, the severaled, would tembers of the Robert P. Kennedy, the severaled P. States.